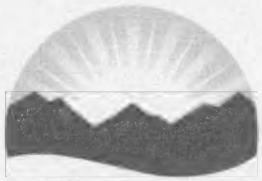
BC Transit

2015/16 – 2017/18
SERVICE PLAN



For more information on BC Transit
contact our head office:

520 Gorge Road East PO Box 610
Victoria, British Columbia V8W 2P3
Telephone: (250) 385-2551
Fax: (250) 995-5639

or visit our website at
www.bctransit.com

Accountability Statement

This Service Plan was prepared under the Board's direction in accordance with the *Budget Transparency and Accountability Act* and the BC Reporting Principles. The Service Plan is consistent with the B.C. government's strategic priorities and fiscal plan. The Board is accountable for the contents of the plan, including what has been built into the plan and how it has been reported.

To the best of our knowledge the significant assumptions, policy decisions, events and identified risks are current and have been considered in preparing this plan. The performance measures presented are consistent with BC Transit's mandate and goals, and focus on aspects critical to the organization's performance.

The targets in this plan have been determined based on an assessment of BC Transit's operating environment, forecast conditions, risk assessment and past performance. BC Transit looks forward to delivering on those targets and continuing to demonstrate our value in the years ahead.

Signature

Kevin Mahoney

Chair, Board of Directors

Table of Contents

Accountability Statement **3**

Strategic Direction and Context **5**

Performance Plan **6**

Financial Plan **14**

BC Transit 2015/16 – 2017/18 Forecast 14

Capital Plan 16

Appendices **17**

Appendix A: Hyperlinks to Additional Information 17

Appendix B: Performance Measures 18

Appendix C: Performance Measure Definitions 19

Strategic Direction and Context

Strategic Direction

BC Transit's strategic direction, as defined in its 2015/16 Mandate Letter[1], is to coordinate the provision of transit services in the most cost-effective and efficient way possible, in alignment with provincial goals and objectives. BC Transit will continue to undertake business evaluations to maximize services and ridership opportunities within the existing economic environment, accurately report forecasts and performance, and achieve a balanced budget.

BC Transit's performance measures align with an ongoing commitment to the *Taxpayer Accountability Principles*[2], and reflect provincial values of cost consciousness, corporate accountability, appropriate compensation, service outcomes, respect, and integrity.

Operating Environment

BC Transit delivers efficient and effective transit service to over 130 communities across the province. While the operating cost for most transit systems across Canada are solely funded by local governments, BC Transit systems' costs are shared between the Province and local governments. The provincial operating subsidy provided to BC Transit, while forecasted to remain flat over the service plan period, is the highest in Canada.

The corporation recognizes the value of this shared funding model and the need to ensure it can operate within affordable limits for its funding partners. The organization will focus its efforts next year on working with its partners to develop service optimization tactics (e.g. new fare strategies, reallocation of service, or new commercial revenue opportunities) to maximize service levels in years two and three of the plan, as potential effects of the flat funding are determined. At this time, the potential impacts of those strategies have not been reflected in the forecasts, although effort has been made to identify the potential effect on revenues.

As the organization works to maximize service levels within the available transit funding, it will continue with its fleet replacement program. Over the next five years, approximately 50 per cent of the existing bus fleet will reach the end of its planned lifecycle. This replacement requirement will offer opportunities to avoid increasing maintenance costs related to an aging fleet, implement new, more fuel-efficient technology and right-size buses to better meet individual community requirements. Although the costs for replacement buses are typically higher due to inflation, technology enhancements and regulatory requirements, BC Transit will continue to work with manufacturers to identify alternative vehicle models that will improve operational efficiencies to meet the needs of its customers and the communities it serves.

To protect and optimize service levels within affordable funding levels, the corporation will continue to draw upon the extensive expertise of its staff, front line managers, operating companies and funding partners.

[1] http://bctransit.com/*/corporate-reports/service-plans

[2] http://www2.gov.bc.ca/gov/DownloadAsset?assetId=B613CF138959439D9A947CF3D586FE6B&filename=taxpayer_accountability_principles.pdf

Performance Plan

Goals, Strategies, Measures and Targets

This section sets out BC Transit's goals, strategies, performance measures, and targets for 2015/16 – 2017/18. The five goals are unchanged from *the 2014/15 – 2016/17 Service Plan* and were first published in *Shaping our Future*[3], BC Transit's strategic plan.

Performance measures have been separated to identify measures that reflect the performance of the corporation, versus measures that reflect the performance of transit systems. Both categories are important; however, measures of transit system performance reflect the overall health of transit in communities across the province, whereas corporate performance measures reflect the efficiency, effectiveness and overall success of BC Transit in providing transit services. Performance of BC Transit's systems consistently benchmark well against comparable Canadian transit systems.

A complete listing of performance measures and targets can be found in Appendix B. Definitions and calculation methodologies for these measures can be found in Appendix C.

Goal 1: Develop Financial Sustainability

Sustainable long-term revenue sources are fundamental to the ability of BC Transit to deliver on its mandate now and into the future. Since more than two thirds of total revenues come from provincial and local government sources, the viability of transit services is directly linked to financial support from these levels of government. Demonstrating cost-effective use of public funding (as demonstrated through operating and administrative efficiency), will assist in maintaining government funding support.

Strategies

The strategic intent is to ensure an affordable public transportation system by:

- Providing effective transit services that are used by the public
- Renewing and revising fare-based revenue sources and collection systems to reflect changing ridership patterns and reduce fare evasion
- Developing and taking advantage of non fare-based revenue opportunities
- Improving cost control, communication and monitoring processes to mitigate cost volatility, maximize efficiency, and reduce costs

[3] http://bctransit.com/*/corporate-reports/strategic-plan-2030

Performance Measure 1: Service Effectiveness

Performance category	Performance measures	13/14 Results	14/15 Forecast	15/16 Target	16/17 Target	17/18 Target
Transit system	Conventional passenger trips / service hour	New measure	27.3	27.3	27.3	27.3
	Custom passenger trips / service hour	New measure	4.1	4.1	4.1	4.1

Data Sources: Internal tracking data

Discussion

The ratios above indicate the level of effectiveness of transit services provided in moving people. Increased passenger utilization of services provided will result in an increase of passenger trips per service hour.

- Conventional passenger trips per service hour are expected to stabilize as service optimization strategies are implemented.
- Custom passenger trips per service hours are expected to stabilize. Service hours are forecast to remain relatively unchanged.

Performance Measure 2: Increase Revenue

Performance category	Performance measures	13/14 Results	14/15 Forecast	15/16 Target	16/17 Target	17/18 Target
Corporate	Conventional operating cost recovery	36.2%	34.8%	32.8%	30.7%	28.1%
	Custom operating cost recovery	10.0%	9.6%	8.9%	8.6%	8.2%

Data Sources: BC Transit financial system and audited financial statements

Discussion

The ratios above indicate the proportion of costs recovered from passenger fares and advertising revenue within the transit system. A strong level of cost recovery is desirable, as it reduces the subsidy from taxpayers.

- Conventional operating cost recovery is expected to continue to decrease over time. The cost of providing transit services (these costs include fuel, labour, parts and maintenance) are anticipated to continue to increase with inflation, while revenue and yields continue to decrease as customers gravitate to lower yielding fare products.
- The cost of providing custom transit services remains very high and capacity constraints make it challenging to increase ridership. As a result, custom operating cost recovery is expected to decrease over time because operating costs to deliver these services are likely to increase, with very limited opportunity to increase revenue.

Performance Measure 3: Increase Cost Efficiency

Performance category	Performance measures	13/14 Results	14/15 Forecast	15/16 Target	16/17 Target	17/18 Target
Corporate	Conventional operating cost / passenger trip	$ 3.73	$ 3.84	$ 4.07	$ 4.30	$ 4.63
	Custom operating cost / passenger trip	$ 15.21	$ 15.72	$ 16.85	$ 17.60	$ 18.35

Data Sources: BC Transit financial system and audited financial statements

Discussion

The ratios above indicate the efficiency of transit expenditures directed towards passengers carried. Increasing cost per passenger indicates that costs are growing at a faster rate than ridership.

- Both conventional and custom operating costs per passenger trip are expected to continue to increase over time as the cost of providing transit services out paces growth in revenue and ridership. A fare structure strategy is underway to look for opportunities to improve revenue yields.

Goal 2: Support and Shape Livable Communities

BC Transit supports more livable communities by encouraging transit-supportive community planning and investments to make it easier to get around by walking, cycling and transit. Greater integration between land use development and transit planning enables greener, more sustainable communities and improves the efficiency of transit services and related infrastructure.

Strategies

Plan for the effective growth of public transportation through the following actions:

- Increase integration with other types of sustainable travel and work with partners to influence land use development patterns that encourage walking, cycling, and increase the effectiveness of transit
- Identify and establish priority transit corridors
- Review services on an ongoing basis and make recommendations for improvement

Performance Measures 4 and 5: Planning and Integration

Performance category	Performance measures	13/14 Results	14/15 Forecast	15/16 Target	16/17 Target	17/18 Target
Corporate	Major urban centers with Transit Future Plans completed	79%	93%	100%	100%	100%
	% of communities with a service optimization review completed in the past 5 years	New Measure 14/15	80%	85%	85%	85%

Data Sources: Internal Tracking Data

Discussion

These measures track the completion of plans that promote effective transit by integrating services with local land use and development initatives, and other sustainable forms of travel. In addition, service reviews measure the timeliness and effectiveness of ongoing service planning advice to local partners.

- By 2015/16, it is anticipated that all major urban centres (over 25,000 population) will have a Transit Future Plan completed.
- BC Transit anticipates that at any given time over the next three years, 85 per cent of its communities will have received a service optimization review.

Goal 3: Change the Perception of Transit

To keep existing customers and attract new ones, BC Transit must market its services in competition with private automobiles and reach out to customers in new ways, such as through social media. To help build livable communities, BC Transit must connect with various community and stakeholder groups to build awareness of, and support for, public transportation as an important part of creating sustainable, green communities.

Strategies

Build increased support for public transportation through the following actions:

- Promote sustainable transportation and its role in building sustainable, livable communities
- Build awareness of BC Transit's services and roles as a transportation leader

Performance Measure 6: Service Delivery

Performance category	Performance measures	13/14 Results	14/15 Forecast	15/16 Target	16/17 Target	17/18 Target
Transit system	Customer satisfaction (on a scale of 1 to 5)	3.68	3.65	3.62	3.52	3.46

Data Sources: Annual customer tracking survey, conducted by a third party research firm

Discussion

This measure tracks the effectiveness of BC Transit in meeting customer expectations.

- BC Transit takes pride in the provision of high quality services and will continue to take measures to enhance the customer experience. This includes investigating new technologies such as automatic voice annunciators, ensuring services are reliable, routes are designed to meet travel demand, buses are clean, and operators are friendly. Although every effort will be made to optimize service, the existing customer demands for transit exceed available funding levels.

Performance Measure 7: Information Effectiveness

Performance category	Performance measures	13/14 Results	14/15 Forecast	15/16 Target	16/17 Target	17/18 Target
Corporate	Online communication strategy impact (on a scale of 1 to 5)	New measure 14/15	3.75	3.80	3.80	3.80

Data Sources: Annual customer tracking survey, conducted by a third party research firm

Discussion

This measure tracks the quality, value and effectiveness of BC Transit's information online (for example, BC Transit's corporate website, Facebook, Twitter, etc.).

- Information results are expected to improve in 2015/16 in response to the improved BC Transit internet site which went live in late fiscal 2014/15. In addition, BC Transit will expand customer engagement through its continued growth of its social media channels.

Performance Measure 8: Build Awareness

Performance category	Performance measures	13/14 Results	14/15 Forecast	15/16 Target	16/17 Target	17/18 Target
Corporate	Brand recognition	28%	28%	28%	27%	26%

Data Sources: Annual customer tracking survey, conducted by a third party research firm

Discussion

This measure tracks the effectiveness of marketing and communication programs that are building awareness of BC Transit and its leadership role in providing sustainable transportation services to British Columbians, since this messaging is embedded in all branding activities.

- The targets reflect limited public marketing opportunities over the next three years, particularly community events that communicate new and/or expanded services or major infrastructure projects.

Goal 4: Deliver Operational Excellence

The BC Transit business model is based on developing and delivering safe, reliable and easy to use services that continuously improve through active engagement with employees, customers and partners. Transit services must continuously adapt and improve to meet the needs and preferences of society, especially in the midst of continuing social, technological and community development change.

Strategies

Deliver a safe, reliable and affordable transit experience through the following actions:

- Provide accessible service
- Ensure the safety of employees and customers
- Monitor and address transit system reliability and on-time performance
- Improve customer service and ensure an effective transit system

Performance Measure 9: Accessibility

Performance category	Performance measures	13/14 Results	14/15 Forecast	15/16 Target	16/17 Target	17/18 Target
Transit system	Conventional service hours / capita	New Measure 14/15	1.45	1.45	1.35	1.21
	Custom service hours / capita	New Measure 14/15	0.25	0.25	0.25	0.25

Data Sources: Annual customer tracking survey, conducted by a third party research firm

Discussion

The above measures illustrate how much service is invested in, and provided to, the population that lives within a reasonable distance of service routes. This measure is a reflection of the transit system rather than the performance of BC Transit.

- Conventional service hours per capita is expected to decrease over the next three years as population is expected to increase in urban areas relative to service hours .
- Custom service hours per capita is expected to be flat over the next three years.

Performance Measures 10 and 11: Safety

Performance category	Performance measures	13/14 Results	14/15 Forecast	15/16 Target	16/17 Target	17/18 Target
Corporate	Number of passenger injury claims / million passenger trips	1.8	2.0	2.0	2.0	2.0
	Workplace injuries / 100 employees	New Measure 14/15	5.8	5.8	5.8	5.8

Data Source: Passenger injury claims as reported by ICBC and internal tracking data
Data Source: Internal Tracking data

Discussion

Maintaining and improving safety is of primary importance in BC Transit's mission and values. A safe trip from start to finish is a fundamental commitment to both employees and customers.

- Number of passenger injury claims per million passenger trips measures passenger safety. This measure is influenced by an aging population, increased traffic and a trending increase in bodily injury claims. While targets have been adjusted upwards slightly from 2013/14, focused improvements to driver training workshops is expected to stabilize this measure.
- Workplace injuries per 100 employees is expected to stabilize due to an enhanced focus on safety protocols, and improved communication of safety initiatives.

Performance Measure 12: Quality of Service

Performance category	Performance measures	13/14 Results	14/15 Forecast	15/16 Target	16/17 Target	17/18 Target
Corporate	% of planned service delivered in conventional transit systems	New Measure 14/15	99.7%	99.7%	99.7%	99.7%

Data Source: Internal tracking data and reports from operating partners

Discussion

This measure is important to track as the reliability of trips has an effect on the customer experience and the overall perception of transit. It also reflects BC Transit's ability to manage preventative issues and respond to emerging operational challenges while delivering transit services that are expected, and relied upon, by transit customers.

- This measure is expected to remain stable over the next three years and is reflective of BC Transit's operational excellence.

Goal 5: Strengthen Our People and Partnerships

BC Transit's success depends on creating an adaptable, socially responsible organization that lives its values, develops its existing employees and partnerships, attracts new employees and explores opportunities. This means actively working to improve how employees are attracted and developed, encouraging a culture of innovation and accountability, monitoring environmental, social and economic impacts, and strengthening relationships with local government and other partners.

Performance Measure 13: Reduce Carbon Intensity

Performance category	Performance measures	13/14 Results	14/15 Forecast	15/16 Target	16/17 Target	17/18 Target
Transit system	GHG's / service hour	28.35	28.91	28.90	28.95	29.03

Data Source: SMARTTool data and internal tracking data

Discussion

This measure tracks the ability of BC Transit to reduce its direct Greenhouse Gas Emissions (GHG's) in support of Provincial initiatives.

- New federal GHG regulations took effect in 2014 that have resulted in significant improvement to the overall reduction of criteria air contaminents (reduced particulates and improved air quality); however, given this metric is a function of service levels, GHG's per service hour are expected to increase slightly over the plan period. Regulations for CO_2 reductions will come into effect in 2017 for new heavy duty vehicles which are expected to positively impact results in 2018.

Performance Measure 14: Strengthen Our People

Performance category	Performance measures	13/14 Results	14/15 Forecast	15/16 Target	16/17 Target	17/18 Target
Corporate	Employee engagement	60%	N/A	62%	N/A	63%

Data Source: BC Stats (BC Transit employee survey)

Discussion

This measures an employee's involvement with, commitment to, and satisfaction with their work. Engagement is assessed through a survey that models what workplace aspects influence employee engagement characteristics. The survey is distributed every two years.

- As a result of the Human Resources Action Plan implementation, employee engagement is expected to improve.

Performance Measure 15: Strengthen Our Partnerships

Performance category	Performance measures	13/14 Results	14/15 Forecast	15/16 Target	16/17 Target	17/18 Target
Corporate	Partner satisfaction (on a scale of 1 to 5)	4.00	3.75	3.70	3.50	3.20

Data Source: CivicInfoBC Transit Survey

Discussion

This measure reflects efforts by BC Transit to improve service delivery as well as engage more extensively with partners in identifying and developing solutions to local transit needs.

- While BC Transit is committed to strong relationships with its local government and operating partners to meet the needs of its customers, the demands for more transit by customers and the associated related costs may impact partnership satisfaction scores. BC Transit will engage its partners in a collaborative manner to prioritize services and identify solutions that meet individual community and operating needs to mitigate this concern.

Financial Plan

Summary Financial Outlook [1]

2015/16 - 2017/18

(Figures in thousands)	Actual 2013/14	Forecast 2014/15	Projection 2015/16	Projection 2016/17	Projection 2017/18
Income Statement					
Revenues					
Operations	69,192	69,005	68,912	64,373	58,803
Government transfers:					
Provincial	95,415	98,524	103,862	104,112	104,672
Local government	84,984	89,413	98,408	105,982	116,525
Deferred capital contributions	38,746	22,801	27,591	30,511	31,803
Investment and other income	5,219	4,352	4,654	4,886	5,682
	$293,556	**$284,095**	**$303,427**	**$309,864**	**$317,485**
Expenses					
Operations	154,261	155,247	162,893	162,409	161,947
Maintenance	44,437	48,159	51,234	51,829	51,790
Administration	23,594	24,443	26,457	26,362	27,258
	222,292	227,849	240,584	240,600	240,995
Use of Asset	71,391	56,335	62,843	69,264	76,490
	$293,683	**$284,184**	**$303,427**	**$309,864**	**$317,485**
Net Income (Loss) from Transit Operations [2]	**($127)**	**($89)**	**$0**	**$0**	**$0**
Vancouver Assets and other					
Deferred Capital Contributions - Vancouver Assets [3]	14,581	14,494	14,924	14,924	14,924
Use of Asset - Vancouver Assets [3]	(15,010)	(14,924)	(14,924)	(14,924)	(14,924)
Other	715	348	0	0	0
	286	(82)	0	0	0
Surplus (deficit) for the year	**$159**	**($171)**	**$0**	**$0**	**$0**
Capital Expenditures	136,283	87,740	118,871	137,093	52,950
Long Term Debt					
Debt	231,140	211,865	252,393	299,745	326,440
Sinking Funds	94,127	97,605	92,990	107,784	133,753
Net Debt	**$137,013**	**$114,260**	**$159,403**	**$191,961**	**$192,687**
Net Assets					
Total Liabilities	1,097,614	1,111,147	1,202,041	1,290,878	1,300,528
Accumulated Surplus	57,651	60,712	60,282	59,852	59,422

[1] *BC Transit receives capital funding for the construction or acquisition of assets and their use in program/service delivery. Capital contributions are deferred and recognized in revenue over the useful life of the asset, as program/services are delivered, as directed by the Province.*

[2] *Retrospective amortization relating to the PSAS adoption in 2011/12 is not included for Service Plan Projection purposes ($127 in 2013/14), whereas BC Transit's historical Financial Statements are prepared using PSAS and include the retrospective amortization.*

[3] *For purposes of Service Plan Projections, amortization of Contributed Surplus is disclosed as Revenue ($429 in 2013/14), whereas BC Transit's historical Financial Statements are prepared using Public Sector Accounting Standards (PSAS), recording amortization of Contributed Surplus as a recovery from Accumulated Surplus.*

Key Forecast Assumptions

Forecasts include cost increases associated with mandated collective agreements, and reflect inflationary pressure related to maintenance and competitive contract negotiations with operating companies.

Diesel fuel prices have been reduced from the previous Service Plan to reflect current market conditions. Given the uncertainty of fuel prices in the long term, future years of the Service Plan incorporate a conservative forecast of ($1.25 per litre in 2015/16 and a five per cent annual increase thereafter).

BC Transit has rationalized its expenditures in an effort to protect and optimize service levels. The organization will focus its efforts next year on working with its partners to develop service optimization tactics (e.g. new fare strategies, reallocation of service, or new commercial revenue opportunities) to maximize service levels in years two and three of the plan. At this time, the potential impacts of those tactics have not been reflected in the forecasts.

Sensitivity Analysis

The following table presents the financial risk to BC Transit from a one percent change in the selected factors. For example, a one per cent increase in fuel prices above budgeted levels will increase BC Transit's costs by $312,000 per year.

2015/16 RISK FACTORS AND SENSITIVITIES
CORPORATE SUMMARY

Risk Factor (1% change)	Financial Risk	Provincial Share*	Local Share
Ridership	$ 680,000	$ -	$ 680,000
Labour			
Collective Agreements	$ 558,000	$ 177,000	$ 381,000
Non-unionized staff	$ 110,000	$ 35,000	$ 75,000
Currency exchange	$ 495,000	$ 203,000	$ 292,000
Interest Rates (new issues)	$ 320,000	$ -	$ 320,000
Fuel	$ 312,000	$ 128,000	$ 184,000
Maintenance Parts Pricing	$ 193,000	$ 79,000	$ 114,000
Property Maintenance & Lease	$ 103,000	$ 42,000	$ 61,000
Insurance	$ 52,000	$ 21,000	$ 31,000

** Provincial Share of total risk varies by type and location of service.*

Management Perspective on Future Financial Outlook

The cost of fuel remains the largest financial risk to BC Transit services. While the price of fuel has dropped significantly over the last half of 2014/15, there remains a great deal of uncertainty over the long term. Accordingly, the corporation will continue to utilize its fuel management strategy that has resulted in millions of dollars being saved over the last four years. The drop in the Canadian dollar also poses risk as most bus parts are manufactured in the US.

While every effort will be made to maximize the efficiency and effectiveness of service hours to ensure quality transit services are still delivered, rationalized services could have an effect on ri ership and revenue.

Maintenance costs will continue to increase due to the aged state of the fleet and the technological complexities associated with new vehicles. Over the next five years, approximately 50 per cent of the existing bus fleet will be at the end of their economic lifecycle. To manage this issue, BC Transit utilizes a scheduled preventative maintenance program to mimize unplanned or reactive repairs.

Over the next three years, several operating contracts across the province are due to expire. Many of these contracts have not been out to market for several years. Accordingly, inflationary pressures such as maintenance costing and labour contracts are expected to result in higher contract pricing. Recent contracts have also resulted in greater demand for BC Transit to provide more services to help deal with increasingly complex operational requirements like safety, environmental and legal obligations.

Capital Plan and Major Projects

BC Transit's managed capital plan is focused entirely on the replacement of ageing assets over the Service Plan period. Over the next three years, 75 per cent of capital expenditures will be related to the replacement or major refurbishment of the provincial fleet.

BC Transit does not have any capital projects greater than $50 million over the next three years.

(figures in thousands)	2015/16	2016/17	2017/18	Total
BC Transit Capital Plan				
Province-Capital Grants	$38,401	$38,510	$26,188	$103,099
Municipal (FAL)	$31,984	$53,730	$26,695	$112,408
Other	$3,041	$1,982	$67	$5,090
Subtotal BC Transit Managed Capital Plan	**$73,426**	**$94,222**	**$52,950**	**$220,598**
Vancouver Assets	$45,445	$42,871	$0	$88,316
Total Capital Plan	**$118,871**	**$137,093**	**$52,950**	**$308,914**

Appendix A:

Hyperlinks to Additional Information

Corporate Governance

More information about BC Transit's Senior Leadership Team can be found at:
http://bctransit.com/*/about/executive

More information about BC Transit's governance and funding model can be found at:
http://bctransit.com/*/about/funding-and-governance

Organizational Overview

More information about BC Transit's vision, mission and values can be found at
http://bctransit.com/*/about

More information about BC Transit's program scope can be found at:
http://bctransit.com/*/about/facts/corporate

A list of transit systems can be found at:
http://bctransit.com/*/choose-transit-system

Corporate Reports

BC Transit's corporate reports, including provincial Service Plans and Annual Reports, can be found at: http://bctransit.com/*/corporate-reports

Appendix B:

Performance Measures

Goal	Performance category	Strategies	Performance measures	13/14 Results	14/15 Forecast	15/16 Target	16/17 Target	17/18 Target
Goal 1: Develop financial sustainability	**Transit system**	Service effectiveness optimization	Conventional passenger trips / service hour	New measure 14/15	27.3	27.3	27.3	27.3
			Custom passenger trips / service hour	New measure 14/15	4.1	4.1	4.1	4.1
	Corporate	Increase revenue	Conventional operating cost recovery	36.2%	34.8%	32.8%	30.7%	28.1%
			Custom operating cost recovery	10.0%	9.6%	8.9%	8.6%	8.2%
		Cost efficiencies	Conventional operating cost / passenger trip	$3.73	$3.84	$4.07	$4.30	$4.63
			Custom operating cost / passenger trip	$15.21	$15.72	$16.85	$17.60	$18.35
Goal 2: Support and shape liveable communities	**Corporate**	Planning and integration	Major urban centers with Transit Future Plans completed	79%	93%	100%	100%	100%
			% of communities with a service optimization review completed in the past 5 years	New measure 14/15	80%	85%	85%	85%
Goal 3: Change the perception of transit	**Transit system**	Service delivery or customer orientation	Customer satisfaction (on a scale of 1 to 5)	3.68	3.65	3.62	3.52	3.46
	Corporate	Information effectiveness	Online communication strategy impact (on a scale of 1 to 5)	New measure 14/15	3.75	3.80	3.80	3.80
		Awareness	Brand recognition	28%	28%	28%	27%	26%
Goal 4: Deliver operational excellence	**Transit system**	Accessibility	Conventional service hours / capita	New measure 14/15	1.45	1.45	1.35	1.21
			Custom service hours / capita	New measure 14/15	0.25	0.25	0.25	0.25
	Corporate	Safety	Number of passenger injury claims / million passenger trips	1.8	2.0	2.0	2.0	2.0
			Workplace injuries / 100 employees	New measure 14/15	5.8	5.8	5.8	5.8
		Quality	% of planned service delivered in conventional transit systems	New measure 14/15	99.7%	99.7%	99.7%	99.7%
Goal 5: Strengthen accountability	**Transit system**	Reduce carbon intensity	GHG's / service hour	28.35	28.91	28.90	28.95	29.03
	Corporate	People	Employee engagement	60%	N/A	62%	N/A	63%
		Partnerships	Partner satisfaction (on a scale of 1 to 5)	4.00	3.75	3.70	3.50	3.20

Appendix C:

Performance Measure Definitions

- **Conventional passenger trips per service hour** is measured by dividing conventional passenger trips by conventional service hours. The ratio indicates the level of effectiveness of, and the demand for, transit services as provided.
- **Custom passenger trips per service hour** is measured by dividing custom passenger trips by custom service hours. The ratio indicates the level of effectiveness of, and the demand for, custom transit services as provided.
- **Conventional operating cost recovery** is measured by dividing annual conventional passenger and advertising revenue by conventional operating costs. The ratio indicates the proportion of costs recovered from passenger and advertising revenue within conventional transit.
- **Custom operating cost recovery** is measured by dividing annual custom passenger and advertising revenue by custom operating cost. The ratio indicates the proportion of costs recovered from passenger and advertising revenue within custom transit.
- **Conventional operating cost per passenger trip** reflects annual conventional operating cost divided by conventional passengers carried. This ratio indicates the efficiency of transit expenditures directed toward passengers carried.
- **Custom operating cost per passenger trip** reflects annual custom operating cost divided by custom passengers carried. This ratio indicates the efficiency of transit expenditures directed toward passengers carried.
- **Proportion of Transit Future Plans completed in major urban centres** measures the completion of planning to align local land use plans, including efforts to increase density and build more pedestrian and cycling paths, with investments in transit services and infrastructure.
- **Percentage of communities that have had a service optimization review completed in the past five years** measures BC Transit's ability to provide transit systems with timely reviews and recommendations to increase transit system efficiency and effectiveness. These may include discussion documents, service reviews, evaluations and others.
- **Customer Satisfaction** measures the average rating of customer tracking survey respondents when asked to rate their overall transit experience from one ("very poor") to five ("excellent").
- **Online communication strategy effectiveness** measures the average rating of customer tracking survey respondents when asked to rate the quality of the online information, ranging from one ("very poor") to five ("excellent").

- **Brand recognition** is based on the per cent of customer tracking survey respondents who recognize BC Transit's role in the delivery of transit service in their local transit system.
- **Conventional service hours per capita** measures the number of conventional service hours delivered divided by the population that lives within 400 m of fixed route bus service.
- **Custom service hours per capita** measures the number of custom service hours delivered divided by the population that lives within 1 km of fixed route bus service.
- **Number of passenger injury claims per million passenger trips** measures passenger safety. The way in which this measure is calculated reflects passenger injury claims through ICBC and is consistent with industry standard.
- **Workplace injuries per 100 employees** measures the Total Recordable Injury Rate (TRIR). TRIR is a measure of the rate of recordable workplace injuries, normalized per 100 workers per year.
- **Percentage of planned service delivered in conventional transit systems** measures the percentage of trips that delivered as scheduled.
- **Carbon intensity per service hour** measures the ability of BC Transit to reduce its direct Greenhouse Gas Emissions (GHG). Carbon intensity is calculated using the Provincial Government's SMARTTool methodology and is measured by calculating the total emissions of BC Transit's fleet, facilities, and paper usage in carbon dioxide equivalent tonnes.
- **Employee engagement** measures an employee's involvement with, commitment to, and satisfaction with work. Engagement is assessed through a survey that models what aspects of the workplace influence employee engagement characteristics.
- **Partnership satisfaction** measures the average rating of local government transit partner respondents when asked to rate their customer service received from BC Transit from one ("very poor") to five ("excellent").